

STC NEWSLETTER

State Tax Commission

June 2005

2005 LEGISLATION

The 2005 legislative session ended with several significant changes that, if signed by the governor, will affect assessors.

Business Personal Property This session saw the efforts of those supporting a statutory method for the assessment of business personal property come to fruition. Not one but three separate bills, House Bills 58 and 461 as well as Senate Bill 210 all contain identical language and create a new section, 137.122. The bills establish a standardized schedule of depreciation and require assessors to use it to establish uniformity in the assessment of depreciable business tangible personal property. Business personal property placed into service before January 2, 2006, will not be affected by this provision.

Going Upon Land For Assessment Purposes House Bill 58 and Senate Bill 210 also provide assessors with clear authority to go upon land for assessment purposes. The pertinent language reads with emphasis added:

137.130. Whenever there shall be any taxable personal property in any county, and from any cause no list thereof shall be given to the assessor in proper time and manner, or whenever the assessor has insufficient information to assess any real property, the assessor or an employee of the assessor shall assess the property based upon a physical inspection or on the best information the assessor can obtain; and for that purpose the assessor or an employee of the assessor shall have lawful right to enter into any lands and make any examination and search which may be necessary to assess such real property only when the assessor is entering because the assessor has insufficient information to assess such real property or to assess such personal property only when the assessor is enter-

ing because no list of taxable personal property has been given

General Revenue Contributions -

Three Year Average House Bill 58 and Senate Bill 210 also make changes in the language concerning the contributions from general revenue to the assessment fund. The relevant changes to section 137.720.3 provide that the county must contribute to the assessment fund the average of the most recent three years except that "capital expenditures and equipment expenses" identified in a memorandum of understanding between the assessor and county commission made prior to the transfer shall be deducted before computing the three year average.

Other Changes

- ✓ Adds radio broadcast equipment, tower transmission and antenna equipment and broadcast towers to the property tax depreciation schedules for broadcasting equipment. HB 58, HB 461 and SB 210
- ✓ Exempts motor vehicles leased for a period of at least one year to any religious, educational, or charitable organization, which has obtained an exemption from the payment of federal income taxes from taxation for state, county, or local purposes. HB 58 and HB 186
- ✓ Clarifies that the expenses incurred by the assessor or assessor-elect for attending study courses paid by the state are subject to appropriation. HB 461
- ✓ Changes the procedures for applying and computing the Homestead Exemption Tax Credit. After 2005, the .25% distributed to county assessment funds is terminated. HB 186.

Again, these bills must be signed by Governor Blunt before they become law, and as of this writing, none have received a signature.

State Tax Commission Office will Move to Truman State Office Building

Effective mid August, the State Tax Commission will be located at the Harry S. Truman State Office Building located in room 840 at 301 West High Street in Jefferson City. We will continue to use our P.O. Box 146 for mail purposes and our telephone number will remain 573-751-2414.

STC STAFF CHANGES

Six STC employees, nearly 10% of the staff, have retired since March first. Those retiring were Loraine Boyd, Technical Assistance Field Representative and Education Coordinator; John Crouch, Appraiser Supervisor; Jim Follina, Manager of the Ratio Section; Mike Lane, Computer Specialist; Phyllis Plassmeyer, Ratio Section Secretary; and Mary Lou Sorrell, Appraiser.

Additionally, Hearing Officer Aimee Smashey resigned effective May 1, 2005. Richard Moore has been hired to fill the position vacated by Aimee. Richard previously worked at Senate Research and as Chief Counsel for the State Treasurer.

The Commission thanks those leaving for the service they have provided and wishes them the best.

STATE TAX COMMISSION JOB OPPORTUNITIES

The Tax Commission has some job opportunities due to the above retirements available in the coming months. We are seeking a Ratio Study Manager located in Jefferson City. The Commission is also seeking two appraisers to work in southern Missouri. The final position available would be in the Technical Assistance Section as a Field Representative in the northeast section of Missouri.

APPEAL PROCEDURE CHANGES/ REMINDERS

APPEAL PROCESS REMINDER

As you well know, 2005 is a reassessment year. Usually this means a greater number of appeals filed with the Boards of Equalization as well as with the State Tax Commission. We encourage you to review the procedures associated with the appeal process so that any appeal is handled in a smooth and efficient manner. If you have any questions regarding these procedures, please contact Randy Turley at 573-751-1710.

CHANGE TO PROCEDURE OF HEARING TRANSCRIPTS

It has long been the Commission's practice of providing a copy of the transcript of an appeal hearing to each party after it has been transcribed. Usually, this means the Complainant's attorney and the County's attorney (or the assessor, if he has represented himself at the hearing). It is our desire to send the transcripts to the parties by e-mail. The transcript will be an attachment to an e-mail addressed to each party *as well as the Assessor*. At the hearing, please be sure the hearing officer has your e-mail address. For any party who does not have access to e-mail, a hard copy will be sent through regular mail *to that party only*. If you have any questions regarding this procedure, please contact the Legal Section at 573-751-1715.

CHANGES TO COMMISSION RULES REGARDING AP- PEALS TOOK EFFECT ON MAY 30, 2005

12 CSR 30-3.010 .1(C), 12 CSR 30-3.010(8) and 12 CSR 30-3.050(1) were changed to expand the ability of parties filing documents with the Commission through various electronic means. Documents, including appeal forms, may be filed by facsimile transmission or by e-mail. Note that if you file any document by either of these means, the rules require you to retain the original signed filing and make it available upon order of the Commission.

12 CSR 30-3.020 was changed to clarify the procedure of intervention in appeals before the Commission.

12 CSR 30-3.050(8) was changed to allow for a voluntary dismissal by a complainant at any time prior to the issuance of a decision and order by a hearing officer. Also, when the parties reach a stipulated agreement, the explanation of why an assessment on commercial property was reduced by 15 percent or greater is no longer required.

The complete text of all Commission Rules can be found on the Secretary of State's website at www.sos.mo.gov/adrules/csr/csr.asp.

To file documents by e-mail, please send them as an attachment in Word format to barbara.heller@stc.mo.gov.

To file documents by facsimile transmission, the number to use is 573-751-1341.

LONG TIME ASSESSOR DAMON BLACK PASSES AWAY

Damon Black, St. Francois County Assessor, passed away on May 24, 2005. Damon served as Assessor for 19 years. Damon was best known for his ability to write songs and composed an entire album for Porter Wagoner. He also wrote songs for Bill Monroe, Dolly Parton and Mel Tillis.

CPI CERTIFIED TO COUNTY CLERKS

County clerks were notified late last month that the increase in the consumer price index for the April 2004 to April 2005 period was three and five tenths percent (3.5%).

Section 137.073.4 (1) required the State Tax Commission to certify to each county clerk the increase in the general price level as measured by the consumers for the United States available June 1. The latest CPI available on June 1 is the April index.

STATE TAX COMMISSION OF MISSOURI

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ASSESSORS APPOINTED IN CARROLL AND ST. FRANCOIS COUNTIES

Governor Matt Blunt recently appointed two new assessors in the counties of Carroll and St. Francois. In Carroll, Ms. Devin Ford of Carrollton was named as Carroll County Assessor. She completes the term of Wanda Musick Witthar, who resigned the position to take employment with the International Association of Assessing Officers. Ms. Ford has worked at the Carroll County Assessor's Office for almost eight years, most recently as Chief Appraiser, and was elected assessor in 2004.

In St. Francois County, Gov. Matt Blunt announced the appointment of Curtis (Curt) N. Boyer as St. Francois County Assessor, replacing Damon Black, who passed away (See article elsewhere in Newsletter). Mr. Boyer is from Bonne Terre and serves as president of Boyer and Associates, a CPA firm and holds a bachelor's degree in accounting from William Jewell College.